DISCUSSION PAPER ON COMMERCIAL HUNTING AND FISHING CAMPS IN THE PROVINCE OF NEWFOUNDLAND

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I) INTRODUCTION

Outfitting in Newfoundland and Labrador is the oldest segment of the Province's tourism industry. Prior to the completion of the Trans Canada Highway in 1966, it was virtually the only effort in tourism.

Today's outfitting industry is presented with major opportunities on one hand and serious problems on the other. The opportunities arise from the availability of the huge George River Caribou herd in Labrador at a time when there is a depletion of animal stocks in the major markets of Central Canada and the Eastern U.S.A. Problems stem from the increasing resident demand for licences and the inability of certain members of the industry to provide a quality and competitive product while at the same time returning adequate resource rent to government.

The challenge to Government is to find a balance between protecting the economic viability of the outfitting industry and meeting the resident demand for wildlife resources. The following sections describe the industry, the resource it utilizes, the constraints and opportunities it faces and the policy options that are available.

II) THE OUTFITTING INDUSTRY

In 1984, the Newfoundland and Labrador Outfitting Industry supported 71 hunting and fishing outfitters and generated

approximately 3 million in revenue. Thus it clearly provides the greatest economic return from the Province's wildlife resources. For example, one pound of salmon caught in the Province through the commercial fishery generates $2.00 in direct income whereas a pound of salmon caught through the sports fishery generates $40. in direct revenue.

The industry is subdivided into two distinct operations; Hunting Outfitters and Fishing Outfitters.

Hunting Outfitters are primarily located in Western insular Newfoundland and in Labrador where suitable areas are relatively inaccessible to resident hunters. These outfitters cater largely to North East U.S. and Central Canadian hunters. The most popular animals are moose and woodland caribou. Package cost varies from $700 to $2,400 for a one week, one animal hunt depending on the quality and variety of services provided. Depending on the outfitter, the following services may be offered: one week's accommodations, food, guides (usually one guide for two hunters), air travel to and from the hunting camp and cold storage. Hunting licences are provided to the hunters through the outfitters.

Fishing Outfitters are confined primarily to remote areas of Labrador. These outfitters also cater to North East U.S. and Central Canadian sports fishermen. The Atlantic salmon is the most lucrative product followed by the large Labrador lake and brook trout. Fees vary from $1,600 to $2,400 for a one week fishing package, depending upon the quality and variety of services provided. Again, depending on the outfitter, the following services may be offered:

accommodations, food, guides (one guide per two fishermen), fishing licences, air transportation to and from the camp, and cold storage. Some outfitters operate on a catch and release basis allowing fishermen to only keep sufficient fish for camp eating plus one trophy fish.

A Hunting Camp Users Survey, conducted by the Department of Development in 1982 was useful in further describing the industry. The most important factors used in selecting an outfitting vacation were: the availability of big game, guides, price and food quality. Ironically, it was these same factors that visiting hunters were most dissatisfied with.

The cost of operating an outfitting camp varies depending on the size, location, and the quality of the experience offered. For example: Labrador salmon camp, catering to 33 guests, incurred $76,000 in expenses, and $97,400 in revenue for a profit of $21,400; a four-camp hunting operation on the Island incurred $93,000 in expenses, $109,300 in revenue for a profit of $16,000; a much smaller hunting operation on the Island incurred $11,900 in expenses, $13,900 in revenue for a profit of $2,000.

The major operating costs are air transportation (when included with the package) food, wages, and hunting licences. Advertising expenditures ranged from 0% to 8% with three out of five outfitters spending only 1 and 2% of their total revenue in this important area.

It is difficult to judge the viability of the existing outfitting industry. Financial statements are difficult to obtain and are of questionable accuracy. However, the larger operations

are clearly viable, particularly when combined with air transportation facilities. On the other hand, smaller 1 camp, 15 hunting licence operators are not viable propositions on their own but are used to supplement other income.

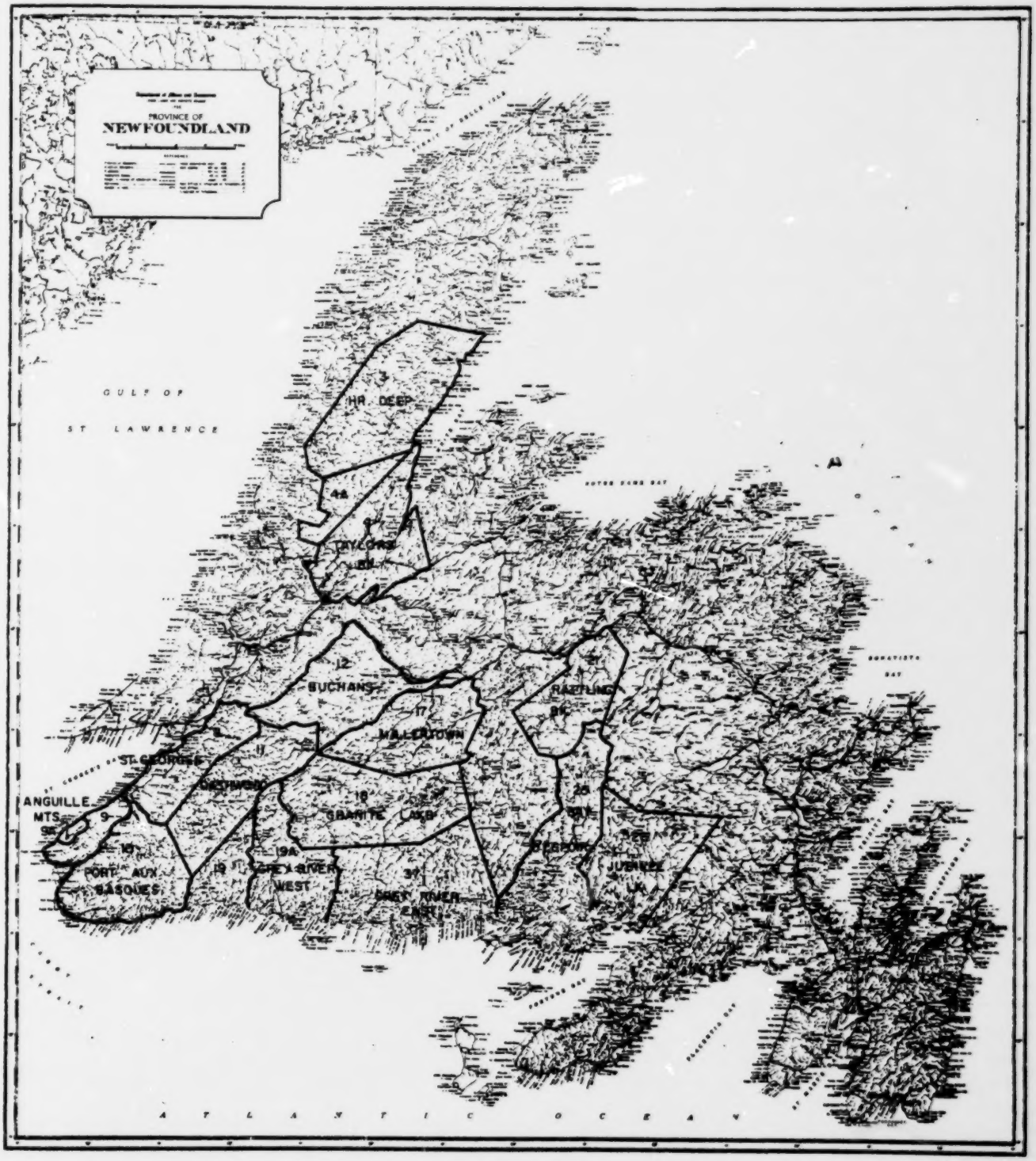
Profitability also depends upon the product offered. Historically, salmon and hunting camps have been more profitable than trout camps due mainly to occupancy rates. It is believed that trout fishermen are less loyal to an operator and thus do not offer repeat business as often as hunters and salmon fishermen. Thus, trout camps require higher than average marketing. It is also clear that consumer demand is very price sensitive. For example, when hunting licence fees were increased in 1983, the demand dropped significantly.

In summary, the industry is a potentially lucrative one that is very much dependent on a regulatory environment that is supportive of the private sector. Demand is available, therefore the challenge is to provide a quality product at a competitive price.

III) THE WILDLIFE RESOURCE

The moose population on the Island of Newfoundland is estimated at 70,000 animals. Although there has been no comprehensive census in recent years, Wildlife Officials consider this figure to be reliable and stable. For management purposes, 39 moose management areas have been established with non-resident hunting being permitted in 14 (refer to Map 1).

The current caribou population of the Island is estimated at 35,000 to 40,000 and appears to be increasing slightly. Again for



Map #1 Non-Resident Moose Management Areas

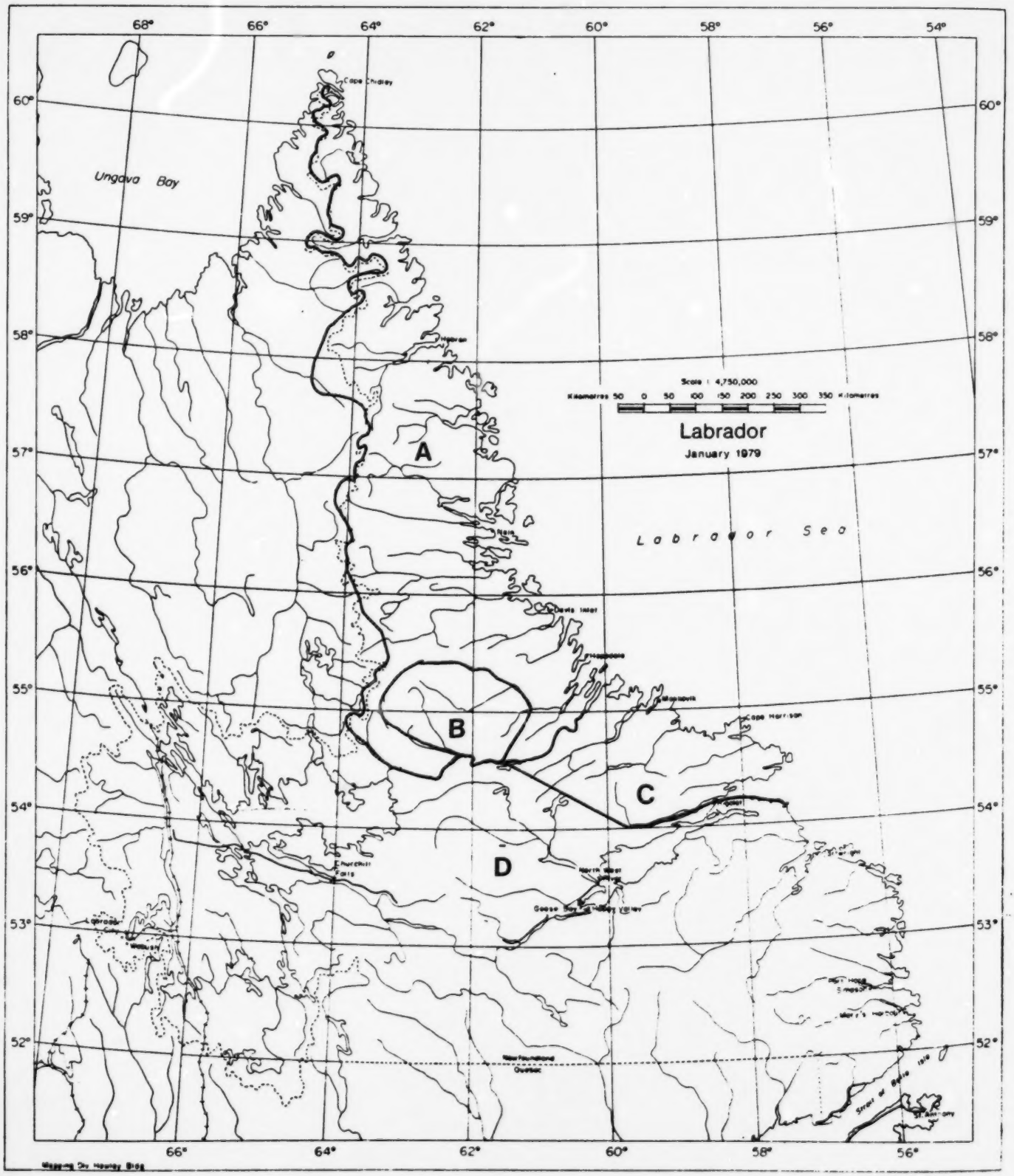
management purposes, nine herd areas have been established with non-resident hunting being permitted in four (refer to Map 2). One of the management areas, the Mount Peyton area, has been closed to hunting for a number of years.

In Labrador the major caribou concentration is the George River herd with a population in excess of 500,000. This herd has a projected annual allowable harvest of 32,000 animals. Since this herd ranges into Quebec, its management and harvest are shared with that Province. Newfoundland's current level of harvest is less than fifty percent of the projected allowable harvest. (refer to Map 3).

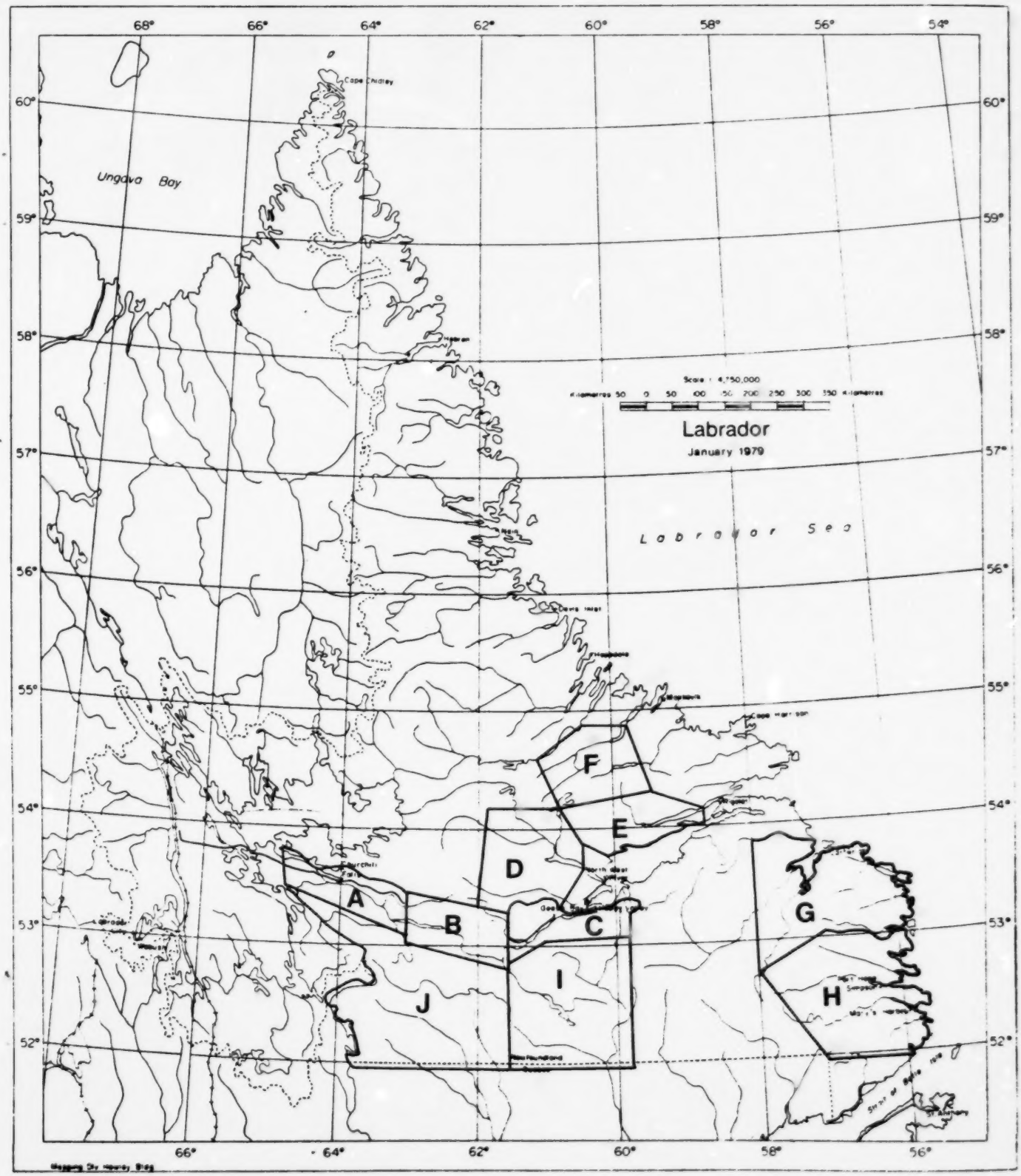
Good population estimates are not available for moose in Labrador. However, 10 management areas have been identified. (refer to Map 4). In recent years the maximum number of available licences has been 95 ranging from 5 to 25 per management area. In 1984 the Labrador moose licence draw was computerized using the same criteria as for the Island draw. Non-resident moose hunting is not permitted in Labrador at the present time.

Currently there are between 4,000 and 6,000 black bears on the Island. (Population estimates are not available for Labrador). As evidenced by increasing licence sales, local people are becoming more interested in bear hunting. The first spring hunt in 1983 resulted in 254 licences being sold to hunters and trappers (trappers are allowed to take 2 animals). In 1985, 409 licences were issued for the spring hunt and 2753 licences were issued for the fall hunt. Many moose and caribou hunters purchase a bear licence ($15.00) just in case they happen to see

Map #2 Non-Resident Caribou Management Areas



Map #3 Caribou Management Areas



Map #4 Moose Management Areas

a bear while hunting moose or caribou. Also, unsuccessful hunters in the moose or caribou licence draw, purchase bear licences so they can join their friends on the hunting trip. It is estimated that the 1985 bear kill on the Island was about 200 animals.

Existing outfitting operations on the Island can be enhanced by taking advantage of the spring and fall bear hunts. To illustrate, the State of Pennsylvania has a bear population 6,000 animals. Its annual two-day black bear hunt results in 230,000 licences being issued and a kill of 1,560 animals.

Small game species (snowshoe hares, ptarmigan, grouse, ducks and geese) are not available in sufficient numbers to attract non-resident hunters solely for these species. Some non-resident hunters do avail of small game hunting opportunities while hunting big game, but few, if any, visit the Province solely for this purpose.

IV) ALLOCATION OF HUNTING LICENCES

In 1960 the first licence quota was established for big game. In that year a quota of 200 was set for the interior caribou herds. The first quota on moose licences was imposed in 1964 when the Rattling Brook (Bishop's Falls) moose management area was established on a trial basis. During the early years of the licence quota, the majority of caribou licences were sold to non-residents and thus had minimum effect on the outfitters. However, when the Rattling Brook moose management areas was established in 1964, several hunting camp operations were affected. As a result these outfitters were guaranteed licences

even though residents had to compete for the quota.

The success of the Rattling Brook experiment led to the creation of additional moose management areas in succeeding years. These new moose management areas, experienced minimal non-resident hunting thus the quotas had little impact on this activity. However in those areas where outfitting camps existed prior to the creation of the management areas, the numbers of non-resident hunting licences were guaranteed.

Although a small number of licences were allocated to non-residents in 1964, a formal non-resident licence allocation did not begin until 1971. Prior to that year, with the exception of moose management areas, non-residents could obtain moose hunting licences by simply going to a vendor. Caribou licences, while being limited in number, were issued on a first-come, first-served basis with no distinction being made between resident and non-resident applicants. However, an increasing resident demand for caribou licences resulted in the sale to non-residents being halted in 1970. In 1971 forty percent of the caribou licence quota was earmarked for non-residents. However, it was also decided, at this time, that this allotment would gradually decline to 25% by 1974. Non-resident caribou licences were issued for Management Areas 61, 62, and 63.

During the early 1970's when no limits were established for moose licences, approximately fifteen percent were sold to non-residents. Thus when the moose management area system was applied to the entire island in 1973, that fifteen percent of the quota was allocated to non-residents. Since outfitt'ng camps were

established in only 15 of the moose management areas, the non-resident allocation was not divided equally among the management areas. Rather, the decision was made to permit non-residents to hunt only in those areas where outfitting establishments already existed. It was also decided that non-resident licences would not be issued in any moose or caribou management area where the number of available licences was 100 or less.

The 1973 non-resident licence allocations were maintained in 1974 and 1975, however, a significant increase in the non-resident licence fee resulted in only half of the allocations being sold in 1974 followed by a further decline in sales in 1975. By 1978 the resident demand for big game licences was obviously increasing and in that year the percentage allocations to non-residents was dropped. In its place, finite numbers were allocated based on the sales of previous years. Thus in 1978, 710 moose licences and 120 caribou licences were allocated to non-resident hunters. By this time, non-resident licence sales were recovering from their 1975 low.

Between 1978 and 1981, adjustments in overall licence quotas resulted in increased allocations to non-residents. By 1981 the number had risen to 815 moose licences and 220 caribou licences. Around this time, demands were made of the outfitters to improve their facilities. In response they asked for and received, a five year guarantee on licence allocations beginning in 1982. It was also agreed that non-resident allocation for each management area would not be reduced unless there was need for a major reduction in the licence quota. Finally, should there be a dramatic

increase in a licence quota, some of the increase would be available to non-residents. The number of licences actually allocated in 1984 was 835 for moose and 283 for caribou (See Table 1).

In 1981, following discussions with the Newfoundland and Labrador Outfitters Association, the non-resident licences, available for each management area, were divided equally among the camps operating in each area. For example, the three camps in Area 26, each received 10 licences out of the 30 allocated to that area. Thus an outfitter receives an allotment of non-resident licences based on the number of camps he has within an area. If the outfitter does not utilize all of the licences allocated to his camp, the unused licences are disposed of during a meeting of the Outfitters Association convened for that purpose. This process has worked well to date.

In 1982, in response to a request from the Outfitters Association, non-resident moose licence quotas for Areas 3 and 4 were increased to 10 licences per camp. This increased the total non-resident licence quota to the current level of 835.

In 1984, again following representation from the Outfitters Association, caribou licence quotas were increased in the 3 areas in which non-resident caribou hunting was permitted and a new area - Middle Ridge was opened to non-residents. This decision was based on incresing non-resident demand and an apparent decline in interest by residents.

TABLE 1.

Non-Resident Licence Allocation

Moose & Caribou - 1985

MOOSE

MANAGE-MENT AREA	NUMBER OF LICENCED CAMPS	LICENCE QUOTA	ALLOCATION* PER CAMP
3	11	110	10
4	4	40	10
8	1	15	15
9	10	100	10
10	6	90	15
11	12	100	8
12	7	60	8
17	3	20	6
18	3	40	13
19	7	100	14
21	1	10	10
25	2	20	10
26	3	30	10
37	5	100	20
	75	835	

CARIBOU

61	26	156	6
62	9	72	8
63	9	45	5
64	5	10	2
	49	283	

* Any surplus licences are allocated within the same management area at the discretion of the Outfitters' Association.

V) FISHERIES RESOURCE

The most significant sport fish species in the Province is the Atlantic Salmon. Of secondary importance are brook trout, sea-run trout, arctic char, lake trout and northern pike.

There has been minimal salmon research on Labrador rivers. However, estimates of potential production are listed in Table 2. Very little information is available on the number of salmon entering the rivers, the number of spawners, or actual production. Thus, assessment of the salmon stocks is generally based on a comparison of commercial and recreational catch statistics to potential production estimates. The Federal Department of Fisheries and Oceans (DFO) has some biological based concerns regarding increasing exploitation of Atlantic salmon. In recent years there has been a decline in the Newfoundland salmon stocks. There has also been a decline in the number of large salmon taken in the commercial fisheries. The latter is of particular concern since the viability of this fishery is based on these fish. The exploitation by the commercial fishery is about 85% large salmon and 50 to 60% grilse. DFO is concerned that the catch of large salmon is too high since these fish are the principal egg producers.

There is considerably more data on the salmon stocks of the Island as opposed to Labrador. According to DFO data, there is high angling exploitation on all salmon stocks with the exception of South Coast rivers between Long Harbour River and White Bear River. Other than this exception, DFO feels there should be no

TABLE 2. Estimate of present Atlantic Salmon Production Potential for Major Rivers of Labrador.*

RIVER	POTENTIAL PRODUCTION
Adlatok R.	13,000
Alexis R.	2,100
Beaver R.	10,900
Big R.	3,300
Black Bear R.	2,400
Eagle R.	26,000
Flowers R.	6,900
Forteau R.	4,600
Goose R.	7,900
Hawke R.	10,900
Hunt R.	1,800
Kenamu R.	15,000
Michael's R.	6,700
Mulligan R.	3,000
Paradise R.	16,700
Pinware R.	15,700
Reeds Pond Bk.	1,000
Sandhill R.	13,900
Sango Bk.	4,700
Shinney's Waters	240
St. Lewis R.	3,200
Traverspine R.	4,700
Trout R.	1,500
White Bear R.	5,300

* Estimates are based on juvenile salmon rearing habitat and include the total numbers of adults the river can theoretically support. There is very little information on actual production. Assessment of salmon stocks are generally based on catch statistics from the commercial and recreational fisheries and comparison of these to potential production (shown above).

further increase in exploitation. Any increase would necessitate a reallocation from the existing fisheries. Catch statistics for the sports fishery on South Coast rivers are considerably higher than the other Island rivers thereby suggesting a higher abundance of salmon. However, these statistics also indicate that angling activity is rapidly increasing on these remote South Coast rivers. This has resulted from an increase in the popularity of "fly-in" angling. DFO is unable to project the level of angling effort these stocks can support since the increase to date has not resulted in a decrease in catch-per-unit effort.

DFO biologists are reluctant to recommend stocks that can support viable sport fishing camps. Of particular concern is the fact that existing management strategy does not place controls on allocations to the sport fishery. (i.e. There are no restrictions on the number of anglers permitted on each river.) Increased fishing effort, regardless of catch limitations, results in increased catches by the sport fishery. Thus without controls on angling effort, there is really no protection against rapid increases in fishing effort or exploitation. Without a mechanism for controlling angling effort, it is doubtful whether any of the salmon stocks in Newfoundland could support the long-term viability of commercial sport fishing camps, particularly in light of the present high exploitation by the commercial fisheries. In principle, DFO does not object to the construction of sports fishing camps. However, they find its more appropriate to assess each proposal on an individual river system basis.

In 1984, DFO introduced a bold and very controversial five

year management plan for Atlantic salmon. This plan is summarized as follows:

1) Delay in the commercial season to permit more large salmon to reach their spawning destination.

2) Full-time fisherman can set 200 fathoms of net (i.e. 1,200 feet) while part-time fisherman are limited to 100 fathoms (i.e. 600 feet).

3) Tagging regulations will most likely be introduced to Newfoundland in 1987. This means it will be illegal for anyone to have in their possession salmon which do not have either a commercial or sports fishery tag. This system is similar to our current wildlife regulations on moose and caribou.

4) New angling regulations state:

- the daily limit for salmon is two;
- the daily limit for salmon hooked and released is four;
- when one or the other of these limits has been reached, the angler must cease fishing for the day;
- the season limit for salmon retained is 15; when this limit has been reached the angler must cease fishing for the season;
- on the Island of Newfoundland, grilse only may be retained. For the purpose of these regulations, a grilse shall be a salmon measuring between 30 cm and 63 cm from the tip of the nose to the fork of the tail.

- In Labrador, anglers may retain large salmon as well as grilse.

This new management plan had an immediate impact on the outfitters due to the grilse only and hook-and-release regulations. However, the long term prospects for an increased fishery are promising.

Another positive aspect of the Federal Government's efforts to improve fish stocks is the salmon enhancement program. This program may eventually double the Atlantic salmon resource within Newfoundland waters. The long term plan calls for enhancement of 50 river systems involving a variety of strategies such as colonization, pond rearing, fish culture, stock remedial activities and the possible introduction of Pacific salmon. This effort will result in an increased supply of large salmon thereby improving quality, success and interest in the recreational fishery.

VI) PROBLEMS, ISSUES AND CONCERNS

The problems, issues and concerns of the outfitting industry can be divided into three categories; those of the outfitter, those of the general public, and those of Government. At the present time, there is no comprehensive policy governing the

approval, establishment and operation of commercial tourist related hunting and fishing camps in the Province. Thus, the purpose of this paper is to outline the main concerns of these three groups in order to provide a better appreciation and understanding of their respective positions. Subsequently, Government will endeavour to implement a policy that deals with these interests in a balanced manner.

A) OUTFITTER PERSPECTIVE

Outfitters are businessmen. Thus, their main preoccupation is to make a profit with as little interference as possible from external forces. They realize that Government has an important role to play in regulating certain aspects of the business and it is to Government that they turn for policy decisions which will benefit the industry.

The outfitters' main concerns can be divided into three interrelated categories: costs, protection of investment, and competition.

Outfitters have to consider their total overhead including advertising, transportation of guests, food, accommodations, depreciation on equipment; maintenance of property; Government fees; etc.

Outfitters expect their investment to be protected both through their own business expertise and experience and also through government regulations where necessary. In this regard, like representatives of many other interest groups, they are

forced to walk the tightrope between two alternatives - restrictiveness of government regulations on the one hand and their benefits on the other. Thus, while they may feel that there are too many government agencies involved in the business, at the same time they look to government to offer some form of protection to their investment either in the form of long term title and/or restrictions on resident access to their hunting and fishing areas. In this regard they argue that the current tenure to Crown land (i.e. annual permit-to-occupy) provides no protection and they are often faced with local residents literally camping on their doorsteps.

Outfitters are faced with three main sources of competition; external in the form of competitve mainland rates with their cheaper permit and licence fees; internal from resident fishing limits being too liberal and consequently unfair; and unregulated non-resident fishing. Non-resident fishing is difficult to put a handle on. However, it is known that non-resident aircraft regularly fly into Labrador. There are no guide requirements and few restrictions if non-residents fish for trout. Outfitters correctly state that they are licensed to accommodate only the number of guests the waters will support while unrestricted fishing by local residents and tourists is putting undue pressure on fish populations. They also argue that since outcamps are not permitted, there is inadequate use of camp infrastructure.

B) PUBLIC PERSPECTIVE

The public's interest in the outfitting industry can be considered from two perspectives: the paying client, and those who are affected in some way by the outfitting industry. To date it has been difficult to determine exactly what paying clients have felt about the quality of the wilderness experience offered to them. However, the main complaints seem to be centered around inadequate food, uncooperative guides, substandard accommodation and poor facilities for storing fish and game. Ironically, those who voiced such complaints often felt that overall they had had a good trip based on the success of their hunting and/or fishing activities.

As far as the general public is concerned, the only complaints seem to stem from those individuals who have had some form of limited but negative contact with outfitters. This usually involves chance encounters with non-resident guests while hunting and fishing, or the refusal of charter aircraft companies to fly residents to sites that are within close proximity to their tourist facilities.

The public of Newfoundland has always enjoyed virtually unrestricted access to hunting and fishing areas. Conflicts, however, arise when residents and non-residents compete for the same resource in the same area. Outfitters find this particularly difficult. For example, paying clients are quick to question why they must pay substantially more to wait in line for a fishing spot. As a result, suggestions have been made that outfitters

should be given exclusive fishing and/or hunting rights to defined areas.

These encounters are inevitable and the actual threat to the resources is probably more imagined than real. It is likely that the general public is more concerned about the residency status of camp owners and operators rather than the residency status of their guests.

C) GOVERNMENT'S PERSPECTIVE

Government's main concern regarding the outfitting industry falls within the broad interrelated parameters of resource management, land use and tourism. Government must protect our renewable fish and game resources, maintain a healthy economic picture for outfitters and ensure that tourists receive a quality experience.

It is generally acknowledged there are too many outfitters after too few hunting licences to allow more viable operations. For example, outfitters are currently operating in a range from 5 - 10 licences per camp.

Stock reductions in the salmon fishery and an uncertain salmon enhancement program make future investment for new outfitting camps relatively unstable.

Government is aware that population pressures, particularly in the Northeastern United States, have resulted in over-utilized wildlife resources. Consequently, the non-resident demand for the Newfoundland resource is likely to increase. Evidence of this can

already be seen in the increasing number of non-residents visiting the Province and fishing without guides. Current enforcement is inadequate. It is further aggravated by the fact non-residents are permitted to fish for salmon without guides provided they fish within 400 metres of a highway. There is no guide requirement for trout fishing.

Government must address a dilemma with regard to the concept of co-operative camps* versus commercial outfitters. Co-operative camps are frequently used for entertaining business associates. Thus it can be argued by their owners that these camps perform a valuable service. The validity of this argument is not a concern. What is more important is how does this activity, in general, impact on the Province's fish and game resource and the outfitting industry? Over the years, varying Crown land grants, leases and permits have been issued to resident and non-resident, commercial operations and co-operative camps. In addition, varying arrangements have been made to authorize the use of recreational fishing sites for military personnel stationed in the Province.

Co-operative camps compete for the same sport species as the outfitters and therefore have the potential of lowering the outfitters' success rate. Their proximity to outfitting camps can ruin the wilderness experience outfitters are trying to market. Finally, they compete directly with outfitters by catering to the same clients.

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* The term "co-operative camp" includes private (non-commercial) hunting and fishing camps, VIP camps, and military camps.

Remote cottages, if uncontrolled, also create the same problems as associated with co-operative camps. However, this problem was recognized and taken into account during the preparation of the Remote Cottage Policy now employed by the Lands Branch. As a result, remote cottages are not permitted on scheduled salmon rivers or, as a general rule of thumb, they are not permitted within 5 miles of a licenced outfitter unless an area has been planned and designated for this purpose. Such land use designations require the approval of all concerned agencies in order to avoid or minimize potential conflicts. Another aspect of the Remote Cottage Policy that bears mention is that permits are restricted to residents of the Province. Nevertheless, there is evidence that some of these remote cottages are being financed and used by non-residents even though the permit is issued to a resident.

A special policy applies to remote cottages along rivers in Labrador. In 1973, Government introduced a freeze on cabin development along all rivers in Labrador. The freeze was brought about due to the uncertainty of these rivers to support and sustain commercial outfitting.

Information on maximum allowable catch has not been forthcoming nor does it seem apparent. The current situation prevents utilization of a known resource for which there appears to be a substantial unserviced market demand. While justification for the freeze is questionable, it is regarded by residents of coastal Labrador as a means of protecting their traditional rights. As a result, they are likely to object to the lifting of the freeze re-

gardless of any rationale.

Outfitters view co-operative camps and some remote cottages as unfair competition. The general public, on the other hand, may view restrictions on building private hunting and fishing camps as an infringement of their traditional recreational fishing and hunting rights. Should private cottages be allowed to infringe on outfitting camps, there is likely to be increasing pressure from outfitters for exclusive fishing and/or hunting rights. Inevitably, such pressure would be perceived and criticized as being the "thin edge of the wedge" towards their exclusive rights throughout the Province.

There is also the problem of outfitting camps being located too close to each other or in areas where residents also utilize the resource. In such instances it is inevitable that conflicts will occur especially with regard to resident use of the resource. However, the establishment of a buffer zone between outfitting camps where no natural geographical barriers exist can alleviate this problem. The extent of buffer zones has to be flexible and tailored to meet local conditions.

Another major concern is the problem of competing resources. Some resource management schemes are complimentary such as the management objectives of the Wildlife Division and the Federal Department of Fisheries and Oceans. These two agencies seek to maintain or increase the game and fish resources. Most other resource uses are compatible in varying degrees provided there is proper consultation in the planning and development stages. For example, forest access road construction could have a detrimental

impact on outfitters by destroying the remote or wilderness advantage most outfitters need in order to market their product. Also, increased access leads to greater competition for the fish and wildlife resources thereby resulting in lower success ratios. Conflicts of this type are not easily resolved. Forest access roads are located to maximize harvest and minimize cost. The economics of forest harvesting can be seriously jeopardized if access road construction is required to yield to outfitting camps.

The Province's ultimate objective is to provide a marketable tourist experience through the perpetuation of viable fish and game populations coupled with a satisfactory economic benefit to outfitters. When acheived, such benefits ultimately transfer to the Province as a whole. Of prime importance in meeting this objective is the quality of the experience offered by the outfitters. If untrained outfitters do not adequately operate and market their enterprise, the entire industry suffers as a consequence. Since a known market exists, some form of training seems imperative if the industry is to be further encouraged and stimulated. Likewise, air transportation, particularly between Labrador and the Northeastern United States, will have to be improved if the appeal for this valuable product is to be enhanced.

VII POLICY CONSIDERATIONS

Two key issues that must be addressed in any new outfitting policy adopted by Government are continued access to the resource and a regulatory framework that will allow the industry to operate efficiently and profitably.

The responsibility for licencing outfitters, managing the fish and game resource and administering Crown land is split between four Government departments; namely, Development and Tourism; Culture Recreation and Youth; Forest Resources and Lands; and the Federal Department of Fisheries and Oceans. While these Departments' objectives are not all the same, the following objectives should be common to all.

- **To retain long term control over the Crown land and fish and game resources allocated for commercial fishing and hunting.**

- **To coordinate administration between the resource and licencing agencies responsible for commercial fishing and hunting.**

- **To establish a pricing system for commercial fishing and hunting establishments that is reasonable for the operator but also provides a fair return to the Crown.**

- **To minimize the impact that the commercial fishing and hunting establishments have on the environment.**

- **To provide flourishing fish and game populations thereby creating and maintaining a sound basis for a healthy outfitting industry.**

To meet these objectives, policies must be designed to protect fish and game resources and their habitats. The industry must also be offered protection from conflicting uses and unfair competition. The basic ingredients for a sound industry are an ample supply of fish and game, a true wilderness experience and a competitive price.

For the purposes of generating meaningful discussion, policy consideration has been grouped into 12 categories (A to L). The reader is cautioned that the options represent a wide range of possibilities and, as such, should not be isolated without considering the relationship with other categories.

A. NON-RESIDENT SPORTS FISHING

Currently, every non-resident licenced to fish salmon in Newfoundland must be accompanied by a guide except when fishing within 400 m of any Provincial highway. One guide is required for every two (2) non-resident salmon fishermen. Guides are not required for non-resident trout fishing. However, the Forest Travel Restricted Area Order may require non-residents to be accompanied by a guide or resident if travelling in a restricted area.

There is growing local resentment against unrestricted trout fishing by non-residents. For example, each year non-residents congregate at Hawkes Bay with large coolers mounted on trailers. They remain in the area for up to two weeks and depart with hundreds of pounds of trout. They bring their own food and accommodations and therefore add little to the local economy.

Enforcement of existing regulations is difficult. Budget constraints and limited access have left many productive rivers unguarded. Enforcment problems will also increase as certain rivers in the Province receive greater notoriety for canoeing. Rivers like Main, Little Mesatina and Notakwanon are becoming internationally renown as wilderness whitewater rivers. Increased use by non-residents is predictable.

Non-resident and resident use of areas occupied by commercial outfitters creates another problem. For example, complaints have been received that some campers park on the shore immediately in front of an outfitter's camp, jockey with paying guests for the

best fishing pool and generally disrupt the wilderness experience promoted by the outfitter.

To offset these concerns, Government policy should consider the following:

- Require all non-residents to be accompanied by a guide when sports fishing in Newfoundland or apply the guide restriction to areas north of Latitude 52° only.
- Restrict the sale of non-resident fishing licences in such a way as they must be acquired from outfitters (in the same way moose and caribou licences are sold) or guides or apply the restriction on the sale of non-resident fishing licences to those rivers and lakes occupied by outfitters.
- Deputize outfitters and guides for enforcement purposes.
- Joint Federal Provincial enforcement of fish and game regulations*.

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* Reciprocal law enforcement is currently under review and a decision on this is expected shortly.

B. FISH MANAGEMENT

Currently, there is a high angling exploitation of all Island salmon stocks with the exception of South Coast rivers between Long Harbour and White Bear. Fishery research is limited in Labrador but indications are that at least six rivers* can accommodate new or additional salmon outfitting activities.

A major concern against supporting increased fishing pressure is that existing regulations do not control the amount of fish caught. While there is a daily limit on what an angler can catch, there are no restrictions on the number of anglers permitted on a river. Increased fishing effort, regardless of catch limitations, results in increased catches. Without a mechanism to control angling effort, it is doubtful that the long term viability of outfitting in Newfoundland can be generated.

Comparatively little research has been conducted into other sport species such as trout and char. The limited research that has been carried out indicates that the size of trout are getting smaller (i.e. there are fewer trophy sized fish). It is generally accepted by the industry that the market is restricted for fish camp operations based solely on trout or char.

The Federal Government is responsible for fishery management and research. Ideally, the sports fishery should be managed according to each river's (or lake's) capacity to produce quality fishing on a sustained yield basis. Herein lies the problem.

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* The six Labrador rivers are: Sango, Mulligan, St. Lewis, Big, Paradise, Adlatok.

Currently Federal Fisheries is unable to provide information on carrying capacity nor is there any research priority on managing rivers according to a sustained yield basis. While the ideal objective would be to limit outfitting camps according to carrying capacity and the concept of sustained yield, unfortunately, there is insufficient data to permit its implementation. Furthermore, there are no existing plans to undertake research in this area. Thus policy considerations should include:

- Managing rivers and lakes according to a licence quota and thereby reduce the possibility of over exploitation. (This could have the beneficial effect of prolonging the fishing season.)
- Managing rivers and lakes according to a harvest quota (i.e. closure to fishing when harvest figures are met.)
- Assemble a working group involving resource management and industry to assess fishing camp proposals on an individual river system basis.

C. HUNTING LICENSE QUOTA

It is widely accepted by both resource and industry managers that there are too many outfitters competing for too few licenses. As a result, there is an imbalance in the ratio of licenses to outfitters. For example, one operator has fifty-six licenses for five camps, while another has only six licenses for one camp. This disparity is due to varying licence allocations within moose management units. Some outfitters need only a small increase in their licence allotment to improve their viability or allow them to expand to full-time operations.

Moose populations in the Province are relatively stable while caribou populations are experiencing a slight increase in numbers. While future protection of some populations will be assured through the establishment of reserves under the Wilderness and Ecological Reserves Act, other populations may be adversely affected by development. In the latter cases, the Environmental Assessment Act should provide a means for proponents and wildlife managers to minimize impact and/or adjust management practices in response to the proposed development.

Recent studies of the black bear on the Island reveal that there is a large enough population to support either a spring hunt or an expanded fall hunt. The study also showed the Newfoundland black bear is of trophy size.

The importance of the outfitting industry to the economy of the Province needs recognition. Thus, it may be wise to increase the ratio of non-resident licences in those management units where the industry has established a foothold.

Policy considerations in this area should include:

- Maintaining the current quotas on non-resident moose and caribou licences with provision for increases as the total quotas increase.
- Providing outfitters with a five year quota on non-resident licences. The quotas to be reviewed at the end of each five year period by the Wildlife Division in consultation with the outfitting associations. (Existing policy introduced in 1981).
- Increasing the quota on non-resident moose and caribou licences especially in remote management areas that offer a more diverse opportunity for a wilderness recreation experience such as fishing and canoeing.
- Establishing a licence allocation system which promotes and favours quality outfitting (i.e. operators who consistently meet or exceed tourist services standards get first priority).
- Providing compensation to outfitters who lose revenue as a direct result of conflicting Government approved projects. For example, if a mining operation disrupts a caribou herd to the extent that licence allocations must be dramatically reduced, the mining company should have to compensate the outfitter(s) affected.
- Introducing a licence transfer scheme whereby a resident licence-holder could transfer his licence to an outfitter in exchange for the meat and/or a fee.

D. COST OF HUNTING LICENCES

Hunting licences in Newfoundland, especially for non-residents, cost more than in any other Canadian Province (See Table 3). The only exception to this is in Labrador. In Labrador there is direct competition with Quebec for the George River caribou herd and the fee for non-resident licence is the same as the Province of Quebec. On the Island, the higher cost is usually justified on the basis of higher success ratio as compared to other Provinces.

It is important that government establish a stable environment with respect to licence fees and land rentals. Once a decision is made on fees, a reasonable phase-in period should be established to give the industry an opportunity to adapt.

Policy considerations should include:

- Making Lease and Licence fees either equal to or lower than those charged by other provinces.
- Adjusting the cost of licences to reflect government's cost to administer outfitting related programs (i.e. cost-recovery).
- Establishing fees as a percentage of the gross revenue of each outfitter.

TABLE 3: COST OF HUNTING LICENCES IN CANADA - 1985

PROVINCE	LICENCE TYPE					
	MOOSE		CARIBOU*		BLACK BEAR	
Newfoundland	Resident	25.00	Resident	25.00	Resident	10.00
	Non-Resident Can.	250.00	Non-Resident Can.	400.00	Non-Resident Can.	25.00
	Non-Resident (other)	350.00	Non-Resident (other)	600.00	Non-Resident Alien	100.00
Nova Scotia	N/A		N/A		Resident Big Game	15.00
					Non-Res Big Game	75.00
New Brunswick	Draw Only Residents Only		N/A		Resident	10.00
					Senior Resident	5.00
					Non-Resident	25.00
Prince Edward Island	N/A		N/A		N/A	
Quebec	Resident	22.25	Resident	22.25	Resident	8.50
	Cdn. Non-Resident	115.00	Cdn. Non-Resident	115.00	Cdn. Non-res.	26.50
	Foreign Non-Resident	205.00	Foreign Non-Resident	115.00	Foreign Non-Res.	26.50
Ontario	Resident	20.00			Resident	10.00
	Non-Resident	200.00			Non-Resident	25.00
Manitoba	Resident-General	20.00	General Resident	27.00	Resident	12.00
	Special Draw	20.00	Special Draw	27.00	Non-Resident	50.00
	Non-Resident	200.00			Non-Resident Alien	100.00
	Non-Resident Alien	250.00				
Saskatchewan	Resident	30.00	Woodland Res.	30.00	Resident	15.00
	Cdn. Resident	150.00	Woodland Cdn. Non.	150.00	Cdn. Resident	30.00
	Non-Resident	300.00	Woodland Non-Res.	300.00	Non-Resident	100.00
			Barren Ground Northern Zone only-res.	20.00		
Alberta	Resident	10.00	N/A		Resident	10.00
	Non-Resident	100.00			Non-Resident	50.00
	Non-Resident Alien	200.00			Non-Resident Alien	100.00
	Non-Resident Alien - Zone 1	100.00				
British Columbia	Resident	20.00	Resident	20.00	Resident	8.00
	Non-B.C. Resident	120.00	Non-B.C. Resident	120.00	Non-Resident	50.00
Northwest Territories	Resident	5.00	Woodland Resident	5.00	Resident	5.00
	Non-Resident	10.00(100.)	Woodland Non-Res.	10.00(100.)	Non-Resident	10.00(50.
	Non-Resident Alien	25.00(100.)	Woodland Non-Res. Alien	25.00(100.)	Non-Resident Alien	25.00(50.
Yukon	Resident Seal Fee	5.00	Resident Seal Fee	5.00	Resident Seal Fee	5.00
	Non-Res. & Non-Res. Alien Trophy Fee	250.00	Non-Res. & Non-Res. Alien Trophy Fee	150.00	Non-Res. & Non-Res. Alien Trophy Fee	75.00

* Non-resident fee in Labrador is the same as the Province of Quebec

E. LAND TENURE

Crown titles for hunting and fishing camps have been issued in the form of grants, leases (varying terms up to 25 years) and permits-to-occupy (varying terms up to 5 years). Table 4 provides an historical review of the various policies adopted by the Lands Branch.

Permits-to-Occupy have the advantage to the permittees of not requiring the expense of a legal survey. Their advantage to Government is that they provide the greatest degree of control over how the land is used. Unfortunately, the permit-to-occupy does not provide the industry with sufficient collateral when financing development nor does it give the outfitter an assurance of permanency required for long term planning.

Satellite camps are not permitted with the exception of the George River sports hunt. The concern over satellite camps is that in-flight reconnaissance of game that occurs while enroute to satellite camps and the use of ATV's that are generally associated with these camps will cause biological and physical damage to the natural environment. It is also a concern that without proper control, satellite camps may become the rule instead of the exception, thereby resulting in poorer service to the client. On the other hand, with adequate control, satellite camps can offer the outfitter greater flexibility in the tourist package offered and improve use of camp infrastructure. For example, external pressures or seasonal variations of game populations may result in the permanent base camp being unsuitable for daily usage. In such cases, satellite camps enable a greater kill ratio without a major expenditure on the part of the outfitter.

USE	TENURE	DEVELOPMENT CONDITION	ANNUAL RENTAL	RENT REVIEW	GRANT OPTION
Commercial (Tourist) Hunting Camps	Variable length leases up to 25 yrs. prior to July 13, 1973. 5 yr. permits and variable length leases as of July 13, 1973. 1 & 5 yr. permits-to-occupy as of Mar. 28, 1980 Option of a lease as of Sept. 1983 but only where required to secure financing	None for permits 3 yr. for leases	$25 to $150 prior to July 13, 1973 $150 min. & $1000 max. as of July 13/73 As of Mar. 28/80: $150 for resident owned camps & $300 for non-resident owned camps $500 as of Mar. 17, 1983 but reduced to $200 as of Sept. 83 $300 as of Apr. 1/84 $500 as of Apr. 1/85	Only upon renewal of lease or permit prior to Sept. 1983 At 5 yr. intervals for leases issued after Sept. 1983	No
Commercial (Tourist) Fishing Camps	"	"	$25 to $150 prior to July 13/73 $150 min. & $1000 max as of July 13/73 As of Mar. 28/80: $150 for resident owned camps & $300 for non-resident owned camps $500 as of Mar. 17/83	Only upon renewal	No

Satellite camps can be divided into two categories: temporary and complimentary. Temporary (satellite) camps are essentially tent sites used for short durations such as in the case of the George River caribou hunt. Complimentary camps are more permanent and could be used to diversify an outfitting package. For example, they could be established as overnight shelters along canoe routes or for hunting and fishing beyond the normal day use range. Regardless of the category, satellite camps require very strict control to ensure that the quality of the outfitting experience does not diminish and that these camps do not end up as replacements to base camp operations.

Policy considerations should include:

- Issuing Crown Grants to outfitters coupled with appropriate land zoning laws to ensure areas are not misused.
- Issuing five year permits with a lease option up to 15 years if title is required as collateral for financing. The length of the term to coincide with the pay-back period of the loan.
- Allowing government to recover land without compensation in the event of non-compliance (i.e. unsatisfactory performance) and to restrict the sale or transfer of ownership.
- Permitting temporary satellite camps as an extension of the title issued for the base camp, i.e. no separate title required for each site.
- Temporary satellite camps must be removed at the end of a hunting/fishing season or as otherwise specified.

- Permitting complimentary satellite camps on an individual permit-to-occupy basis under the Crown Lands Act.
- Denying satellite camp privileges to outfitters that do not meet tourist service standards.
- Limiting or controlling access by ATV's to satellite camps.

F. CAMP LOCATIONS

Camp location is important in order to minimize land use conflicts and maximize the fish and game resource. Ideally camps should be located in areas that are relatively inaccessible to the general public and reasonably separated from other outfitters. They should also be a safe distance from major resource development operations such as wood harvesting.

The present 5 mile buffer between camps should not be viewed as a rigid policy. In areas rich with game, common sense demands that this resource should be accessible providing the actual siting of camps does not interfere with the "wilderness" environment normally expected by the client. Therefore the 5 mile buffer zone should be viewed as only a guideline with each situation being assessed on its own merits.

Some camp locations are accessible to the public and are often used by the public for hunting and fishing. The public demands unrestricted access while the outfitters need to provide their clients with a private and undisturbed (i.e. wilderness) experience.

Policy considerations:

- Establish buffer zones around outfitting camps on a site specific basis.
- Restrict private cottages to areas where they will not adversely affect outfitting.
- Establish an evaluation process for dealing with outfitter camp applications that assesses sites relative to existing or predictable demands for public and resource uses. Applicants should be given the benefit of this information to help them decide where to apply.
- Restrict satellite camps within a certain radius of other existing camps, including other satellite camps.

G. LAND ALLOCATION

The quality of the outfitting product can be controlled to a large extent through proper selection of operators. At the present time Crown land is allocated on the basis of first-come, first-served. The applicant is under no obligation other than to simply meet the minimum standards imposed under the tourist services regulations. The first-come first-served method of land allocation does not necessarily result in maximum return on the value of the land.

The recently approved caribou hunt of the George River herd introduced for the first time a competitive bidding process for licences. While this may be viewed as experimental, the industry

had no objections to its implementation.

Policy considerations:

- Allocate land for camp sites according to industry demand and, in the case of hunting, the availability of licences.
- Allocate land for hunting camp sites according to the capacity of the game resource to sustain hunting pressure.
- Allocate land for fishing camp sites according to the capacity of the fish resource to sustain angling pressure. When the fish stocks are depressed, angling pressure should be modified to a catch and relase strategy.
- Continue to administer the allocation of land on a first-come, first-served basis.
- Administer the allocation of land according to some form of competitive bidding process. Examples:
  a) Upon receipt of an application for a new site, government could advertise for other proposals and reserve the right to choose the best proposal.
  b) Government could select the best sites, develop a prospectus and invite tenders.
  c) Government could identify general areas whenever new opportunities become available and invite proposals for sites within thesc areas.

H. LAND RENTAL

Effective April 1, 1985, the annual rental for commercial hunting and fishing camps is $500.00. This is higher than Manitoba and Saskatchewan and cannot be compared with other Provinces because they charge according to market value (refer to Table 5).

The current rent structure is criticized by the outfitting industry on the grounds that the outfitters receive no protection from activities that may negatively impact on their operations and the higher rent gives their competitors a distinct advantage. Alternatively, it can be argued that Government is not receiving a fair economic return for the allocation of Crown land for this valuable commercial use. The rent formula used over the years has been arbitrarily established and has no relationship to the fee structure in other provinces.

The pricing policy for the full range of uses made of Crown land is currently under review. The traditional Newfoundland attitude that Crown land should be free for the taking is slowly being replaced with the realization that the allocation of Crown land should operate at least on a cost recovery basis. However, this "new" approach should be tempered in relation to the economic contribution the outfitting industry can make to the Province. In fact, there may be justification for viewing land for outfitting in the same light as land for agriculture, that is, promote the industry through low rent.

Policy considerations:

- Establish rental on a cost-recovery basis.

- Establish rental according to market value and set a minimum base price.
- Retain the current rental structures.
- Reduce rental and create a subsidy to stimulate growth in the outfitting industry.
- Establish rental as a percentage of gross revenue.
- Review rent on a five year basis.
- Charge rental in accordance with fees set by the competition i.e. other Provinces (see Table 5).
- Accomodate complimentary satellite camps by permit with a flat rate fee similar to other Provinces.
- Accomodate temporary satellite camps as an extension to base camp title with no separate fee charged.

Table 5

Summary of Pricing Policies in Other Provinces

Province	
Manitoba	$250/year for Permits and Leases; $100/year per satellite camps.
Saskatchewan	As of January 1, 1985, $210/year.
Ontario	Lease rental is 7% of appraised market value, subject to rent review every five years; $135/year per satellite camp near water, $50/year per inland satellite camp.
British Columbia	Lease rental is 3.5% of appraised market* value, $200/year minimum; $50/year per satellite camp.
Alberta	Lease rental is 10% of appraised market value; $25/year per satellite camp.
New Brunswick	Lease rental is 10% of market value.
Yukon	Lease rental is 10% of market value.

* British Columbia originally proposed 10% of market value but agreed to reduce this to 3.5% in response to a brief presentation by the Guide Outfitter's Association. This is a temporary policy subject to a review being undertaken by the British Columbia Assessment Authority.

I. THE OUTFITTER AS MANAGER

Aside from the high degree of government involvement in the industry, outfitting is still a business. There is a product, a market and an array of services and facilities. The main problem currently facing the industry seems to be a lack of managment expertise particularly in the areas of budgeting, operations, marketing and personnel.

There are many costs associated with the outfitting business. These include licence fees, transportation to the Province and to the camp site, investments in basic camp construction and facilities, supplies, staffing, maintenance and marketing. A serious problem affecting the viability of some outfitters is a lack of experience and training in financial management, bookkeeping and budgeting techniques, particularly debt management. The cost disadvantage created by market distance and the high cost of living make it all the more crucial that Newfoundland outfitters learn how to shrewdly manage their financial affairs. It is particularly important that this Province's outfitting experience is comparable in cost and quality to those provided elsewhere.

Generally, the outfitting industry in Newfoundland is unable to provide an attractive package at a fair return. To encourage a more business like approach to their operations, government must be conscious of it influence on the viability of the outfitter through the imposition of licence fees, lease charges, taxation, etc. At the same time, programs for financial assistance and support must be designed to reflect the unique circumstances

surrounding the industry.

Operational management in terms of camp conditions and services provided is not professionally planned by many operators. Maintenance, particularly of hunting camps, is often ignored until outfitters are faced with losing their tourist establishment licence. Frequently camp construction is primitive and not designed to withstand the Province's rigorous and harsh environment. Scheduling of supplies, menus, hunting excursions and maintenance is usually carried out on an ad hoc basis with little thought to pre-planning and cost-efficiency. Seasonality is also an operational constraint that has traditionally confined the industry to the summer and fall seasons. Further efforts towards diversification and expanding the season are required in order to improve the viability of operations.

One of the most ignored management functions of outfitters is marketing. Sophisticated marketing techniques dominate the Tourism industry. The outfitting industry in this Province must be advertised just as vigorously and aggressively not only in terms of defining the specific products being offered but selling it to the appropriate market.

Research to date has shown that there are definite differences in the type of clients who seek hunting and fishing experienceS. Sports fishermen generally stay close to a lodge and expect a high level of quality and service. Hunters, on the other hand, tend to use camps primarily for eating and sleeping since most of their time is spent away from the camp. Surveys of big game hunts and outfitters indicate that there are distinct

groupings of hunters both by income and the type of experience sought. The majority of big game hunters earn an annual income of between $18,000 and $35,000, while 20% earn $50,000 or more. It is obvious here that there are two separate groups each requiring their own promotional strategy. The latter group are generally more lucrative and usually demand a more quality experience. While some hunters come for a wilderness experience, the thrill of the hunt, or the meat, there are also sophisticated trophy hunters who are challenging world records or working on completing the North America Grand Slam (the woodland caribou and the Labrador caribou are 2 of 27 required animals). There are also bow hunters, safari-style hunters and the cost-conscious hunter who is willing to hunt on a user pay system. Defining the specific product by animal, quality of service, intensity of hunting experince or other categories and then matching it with identified target markets is a marketing approach not yet developed in the outfitting industry.

The personnel function of the outfitting business is primarily concerned with guide and camp staff. While many outfitters have confidence in their regular guides, there is no system for rating their skills and capabilities. A training and certification program would allow outfitters to determine the quality of their guides and provide a basis for the recruitment of new guides. At the same time, hunters could base their selection of outfitters on the calibre of their guides. In addition to standard technical expertise, many guides need to improve their skills in hospitality and courtesy. The latter are an integral

integral part an enjoyable hunting experience, whether or not the hunt is a success.

Policy considerations:

MANAGEMENT AND STAFF TRAINING

- Government and the industry should implement a series of management and staff training programs aimed at improving the overall quality of the outfitting product. Special emphasis should be placed on teaching the outfitter to treat their operation as a business. Attention should be focused on management functions such as financing, marketing, personnel, operations and hospitality. Ongoing counselling on items of special or particular business interest should be provided both on a one-to-one and group basis. Specific training should be implemented by government and industry to cover such items as first aid; safety techniques both on land and water including machine operation, care and handling of weapons and injured animals; preparaton of meat; caping and trophy grading; as well as hospitality and courtesy. Such training should be phased in and eventually become mandatory within a specified time period.
- An analysis of operational methods should be carried out to determine which are the most cost effective. A typical operating profile outlining financial ratios, purchasing schemes, camp layouts and facilities and other factors would be useful not only to the outfitters in streamlining their business, but to government when providing counselling

services, financial assistance and enforcing regulations.

OPERATIONS

- Operational costs could be controlled by the use of group co-operative deals with transportation companies for the movement of hunters to and from camps.
- Additional group benefits such as purchasing, policing, insurance, lobbying and marketing could be arranged through a more active Outfitter's Association. It should have good representation from the industry and in turn, actively participate in larger associations such as Hospitality Newfoundland and the Provincial tourism association.
- Reduce the negative impact of seasonality on employment and profit by expanding the tourist service package to include a larger diversity of activities such as bear hunting, canoeing, wilderness excursions, etc.
- Withdraw tourist establishment licences from operators who under-utilize camps or provide a sub-standard service. Strengthen Government regulations and subsequent enforcement, after providing reasonable time for affected operators to upgrade their facilities.
- Government pre-inspection forms for issuing tourist establishment licences could be more specific in documenting the exact improvements and maintenance required. This would save outfitters the cost of their pre-inspection trips and at the same time provide an avenue for stricter enforcement of regulations.
- Government could establish a grading system in co-operation

with the industry, to rate the facilities and services provided, for use in regulation, promotion and answering requests for information.

- To encourage improvements in both maintenance and marketing, financial assistance could be made available in the form of construction and upgrading incentives, marketing and advertising incentives, low-interest loans with flexible repayment schedules, loan guarantees and other forms of assistance.

MARKETING

- Additional market research is needed to determine the type, size, demographics, accessibility and media interests of specific groups of consumers, so that more sophisticated and direct marketing campaigns can be planned. Outfitters should be made aware of the potential of the identified markets and coached in preparing specific marketing strategies to reach them.
- Outfitters should be encouraged and sponsored to participate in all industry promotions in a professional manner. Informational and promotional literature should be prepared by individual operations, they should attend all marketplace functions and trade shows, as well as participate in sponsoring and accommodating travel writers, opinion leaders and other testimonial spokespersons who can vouch for the experience available in the Province.
- In line with training, a guide certification program could be developed by industry and government to outline standard

skills, testing methods and a series of grades to indicate experience and levels of achievement. Such certification could be used as criteria for awarding guide's licences and promoting individual operations.

J. GOVERNMENT INSPECTIONS AND ADMINISTRATION

Due to the fact that the outfitting industry currently falls within the jurisdiction of three Departments, namely - Culture, Recreation and Youth, Development and Tourism and Forest Resources and Lands, there always will be a certain amount of duplication of inspections by these Departments. Since such inspections are expensive, time consuming and disrupting to the outfitter, Government should consider coordinating inspections or designating an agency to carry out all inspections.

Policy considerations:

- Inspection services could be consolidated so that a single inspector can report to the various agencies involved.
- Consideration could be given to centralizing all facets of administering the industry within a single deparment which would be responsible for licencing, camp operation, and land permits i.e. act as a clearing house.
- Carry out simultaneous routine inspections at a pre-arranged and convenient time to the outfitter. Inspections would still be carried out without warning in response to complaints.

K. PERMITS FOR CO-OPERATIVE CAMPS

Co-operative camps are generally located adjacent to resources used by outfitters. Thus they are viewed as unfair competition catering to similar clients and competing for the same resource. In addition, private camps are seen as interfering with the wilderness experience outfitters are trying to market. It should be noted that tenure for some of these co-operative and private camps is currently in the form of 25 year leases which were issued in the 1960's. As has been stated earlier in this report, there seems to be no valid reason for treating cooperative camps differently than remote cottages.

Policy considerations:

- Priority should be given to protecting the territory of the outfitter. Thus, permits could be issued for those cooperative camps which are to be located in areas where they do not conflict with existing commercial outfitters.
- The remote cottage policy could be expanded to include cooperative camps. The result of this change would be that a business or the military would have the choice of applying for a remote cottage or using the services of a licensed outfitter. Currently, remote cottages are not permitted on scheduled streams or within five miles of a licensed outfitter unless an area has been specifically designated for that purpose. Remote cottage permits are now restricted to residents only. This could be amended to accommodate the Canadian military and companies that are registered to operate in the Province.

- Where existing leases for co-operative camps are in conflict with outfitting areas, the tenure could be cancelled upon the expiry of the lease.

L. FREEZE ON CAMP DEVELOPMENT ON LABRADOR RIVERS

In 1975, Government enacted a freeze on any new cabin development along Labrador rivers. The purpose of this freeze was to halt development while research was undertaken by the Department of Tourism and the Federal Department of Fisheries and Oceans to assess the capacity (maximum yield) of each river with the eventual aim of preparing a definitive policy regarding such developments. During the ten years since the freeze came into effect, the coastal residents of Labrador have come to view it as a protection of their traditional access rights. Furthermore, established outfitters may also view this as protection against competition from other outfitters. Thus any move to rescind the freeze is likely to be met with a certain amount of opposition from local residents and established outfitters.

During the past ten years the Federal Department of Fisheries and Oceans has compiled an estimate of the present Atlantic Salmon production potential for each of the major rivers of Labrador. These statistics indicate those Labrador rivers which can theoretically sustain the greatest yield of salmon. However, considerably more research is necessary to determine the capacity of each river. The responsibility for undertaking this research rests with DFO. DFO has not undertaken this research and there seems little incentive to do so as long as the freeze remains in

place. A further consideration is, of course, the cost of this research which is estimated at $250,000 to $500,000 per river.

Policy considerations:

- For the protection of salmon stocks, both the Federal and Provincial Departments of Fisheries must continue their research and expand the salmon enhancement programs, giving particular emphasis to the sports salmon fishery. Priority should be given to the rivers that can theoretically support more outfitting camps.
- Continue the freeze until Option 1 can provide sufficient informtion to calculate the carrying capacity of individual rivers.
- Lift the freeze and accommodate demand without limitations.
- Lift the freeze and accommodate development on a site specific ad hoc basis.
- Allow rivers without any commercial sports fishing potential to be open to private cottage development according to normal Crown land planning and development control policies.
- The Department of Fisheries and Oceans could encourage a catch-and-release system on rivers that cannot sustain continued fishing pressure.
- Rivers could be classified according to recreational and commercial uses and the two uses separated to avoid conflict.
- In cooperation with the Outfitters Association, identify rivers and specific sites suitable for further commercial development and offer these sites to the industry on a competitive bidding process.